

Gary



**The Comptroller General  
of the United States**

Washington, D.C. 20548

## Decision

**Matter of:** Northwest Cleaning Service

**File:** B-234780

**Date:** May 31, 1989

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### DIGEST

Allegation that awardee's bid violates solicitation's integrity of unit prices clause and is unbalanced is denied where protester has not shown that it was prejudiced by awardee's pricing, or that there is a reasonable doubt that award will result in the lowest overall cost to the government.

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### DECISION

Northwest Cleaning Service protests award of a contract to Western Land Management under invitation for bids (IFB) No. DACW68-89-B-0002, issued as a total small business set-aside by the Army Corps of Engineers for janitorial services at Lower Granite and Little Goose Locks and Dams in Washington. Northwest, the third low bidder (\$148,857.90), contends that the bids of Western Land Management, the awardee (\$117,028.80), and of B&T Maintenance, the second low bidder (\$131,522), should be rejected as nonresponsive because they violate the IFB's integrity of unit prices clause and are mathematically and materially unbalanced. We deny the protest.

The integrity of unit prices provision, Federal Acquisition Regulation (FAR) § 52.215-26, incorporated by reference in the IFB, requires that bidders distribute costs within contracts on a basis that ensures that unit prices are in proportion to actual costs and prohibits methods of distributing costs to line items that distort unit prices. To succeed in a protest of alleged violations of this provision, the protester must establish both that the violations exist and that the protester was prejudiced by the improper pricing methods. See, e.g., Integrated Protection Systems, Inc., B-229985, Jan. 29, 1988, 88-1 CPD ¶ 92. Our analysis of alleged unbalancing is similar. A bid is unbalanced where it is based on nominal prices for some of the work and enhanced prices for other work. A

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unbalanced bid is unobjectionable, however, unless there is a reasonable doubt that its acceptance will result in the lowest overall cost to the government; in this latter instance, the bid is materially unbalanced and cannot be accepted. All Star Maintenance, Inc., B-231618, Aug. 25, 1988, 88-2 CPD ¶ 181.

Here, Northwest objects to differing unit prices offered by Western for a number of janitorial services line items in the IFB, such as the following:

	<u>Unit Price</u>	<u>Extended Amount</u>
<u>7 Days/Week</u>		
Damp mop, 412 sq. ft. (March through July)	\$5.40	\$826.20
<u>3 Days/Week</u>		
Damp mop, 412 sq. ft. (January through February and August through December)	\$2.70	\$224.10

According to the protester, the above items reflect work to be performed in the same space; the only variable is the frequency the work is to be performed (i.e., 3 days per week and 7 days per week). Consequently, in Northwest's view, the unit cost for performing the service should be the same, or at least nearly the same, for each of the items indicated. The fact that the unit prices differ so widely, according to the protester, indicates that the prices are not proportionate to costs and that the bid violates the integrity of unit prices provision and is unbalanced. Further, the protester states that, while Western's overall bid price ostensibly is the lowest, there may well be a reasonable doubt that acceptance of the bid would result in the lowest ultimate cost to the government, since the validity of the Army's control estimate of \$146,765 is questionable. Thus, according to Northwest, the bid is materially unbalanced.

We do not agree with Northwest that there is no basis for the disparity in Western's item prices. The Army explains, and we agree, that, aside from the square footage and number of days per week, the specifications for the items in question reflect other variables, such as the time of year. The Army points out that those areas with high visitor

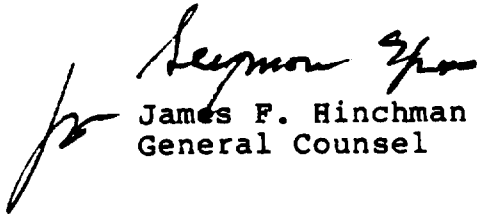
traffic may require more effort to maintain during the summer months than during the off-season, and that certain areas require more effort to maintain in the wet season than during the dry season. In fact, the agency states that it listed the items separately in the IFB precisely for this reason, so that bidders could price the same work differently for different times of the year. We therefore think such factors reasonably could account for variations in cost, and thus in the bid price, for performing work in the same space, and that there is no basis for finding that the bid violates the integrity of unit prices provision or is unbalanced.

In any event, the protester has not demonstrated that acceptance of the bid would not result in the lowest overall cost to the government. Based on the unit prices in Western's bid, multiplied by the specified frequency of performance for each item, Western's clearly is the low evaluated bid. Although Northwest questions the validity of the Army's cost estimate (\$146,765), this is not the kind of estimate whose validity is relevant to an unbalancing determination: The protester appears to have in mind the situation where the inherent uncertainty of a solicitation's estimated requirements, combined with extreme skewing of the offered unit prices, creates a reasonable doubt whether acceptance of the offer would result in the lowest overall cost to the government. See, e.g., Ocean Habitability, Inc., B-227304, Sept. 17, 1987, 87-2 CPD ¶ 265. Here, however, the IFB contains firm requirements, not estimates; consequently, Western's low bid on the specified items necessarily will result in the lowest overall cost to the government. This being the case, Northwest also has not established that it was prejudiced by Western's allegedly improper pricing method. Integrated Protection Systems, Inc., B-229985, supra.

In the alternative, the protester appears to be arguing that, since Western's bid was substantially lower than the agency's control estimate, and even farther below its own cost estimates, it was a below-cost bid. (Northwest asserts that the estimated cost properly is in the range of \$152,833 to \$160,784, rather than the Army's estimate of \$146,765.) However, even if we were to accept the protester's assertions as tending to prove that Western's bid was below-cost, there would be no basis for sustaining the protest; the submission and acceptance of a below-cost bid is not legally objectionable. Black Warrior Constructors, B-230098, Feb. 23, 1988, 88-1 CPD ¶ 188.

Northwest also objects that the bid of the second low bidder, B&T Maintenance, was unbalanced, but since we have found that Western, the low bidder, was entitled to the award, this allegation is academic and will not be considered. See Microform, Inc., B-233045; B-233046, Jan. 30, 1989, 89-1 CPD ¶ 94.

The protest is denied.

James F. Hinchman  
General Counsel